

Subpart 5142.15 -- Contractor Performance Information

5142.1502-90 Policy

(a) A Performance Assessment Report (PAR) shall be prepared for those contracts, as well as Level 1 and 2 subcontracts where performance can be clearly measured, and is expected to exceed the following thresholds:

<u>Business Sector</u>	<u>Threshold</u>	<u>Assessing Official</u>
Systems	\$ 5,000,000.	PM
Operations Support	\$ 5,000,000.	Contracting Officer
Services	\$ 1,000,000	Contracting Officer or PM*
Information Technology	\$ 1,000,000.	Contracting Officer
Construction	\$ 500,000	IAW FAR/DFARS/AFARS Parts 36/236/5136
Architect-Engineering	\$ 25,000	IAW FAR/DFARS/AFARS Parts 36/236/5136

* The PM (Program/Project/Product Manager) is the assessing official for those service contracts providing technical or management support to the program office.

(b) Except as provided in 5142.1502-90(j) below, performance reports may be prepared in, and shall be entered and maintained in, the Army Past Performance Information Management System (PPIMS) (See 5142.1503-90(f)).

(c) A PAR shall be prepared upon physical completion of the contract. When the contract period of performance will not exceed 18 months, prepare a single "final" assessment report. If the period of performance will exceed 18 months, prepare an "interim" assessment report at the completion of 12 months performance and annually thereafter until the contract is physically complete. For contracts awarded prior to the effective date of this policy, annual reports shall be prepared twelve (12) months from February 1, 1998, or such earlier date as deemed appropriate by the assessing official.

(d) An out-of-cycle or "addendum" report may be prepared if there is a need to record an extraordinary event prior to the next regularly scheduled evaluation or if it is necessary to report

a meaningful occurrence during the period between physical completion of the contract and contract closeout. Additionally, addendum reports may be prepared to record contractor's performance relative to contract close-out and other administrative requirements (e.g. final indirect cost proposals, technical data, etc.)

(e) For indefinite delivery type contracts (except JOC, see AFARS 5117.9005(d) and (j)(2) below), PARs are required when the total estimated contract value exceeds the thresholds for the appropriate business sector and in accordance with the following:

(1) Where the scope of the contract is narrow or orders will be essentially similar, the contracting officer shall prepare reports in accordance with 5142.1502-90(b). If the contracting officer requires assessment input from external ordering offices, such requirement shall be clearly stated in the ordering information/procedures for the basic contract.

(2) Where the scope of the contract is broad or the nature of individual orders could be significantly different, the contracting officer may require the ordering officer to prepare a PAR for each order exceeding \$100,000 in accordance with 5142.1502-90(b). If so, the contracting officer shall clearly state this requirement in the ordering information/procedures for the basic contract.

(3) Any activity issuing an order against another activity's contract shall either prepare the PAR, or provide input to the PAR, as specified in the basic contract.

(f) PARs are required for "joint venture" contracts. The report shall be prepared for the joint venture, not for each participating contractor. However, each contractor will be specifically identified in the performance report. Where specific responsibilities of each contractor is known (e.g., systems integration, software development, propulsion systems, etc.), also include this information.

(g) **Rating System:** Use the following rating system to assess contractor performance for all PPI elements:

(1) Exceptional (Dark Blue) - Performance meets contractual requirements and exceeds many to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with few minor problems for which corrective actions taken by the contractor were highly effective.

(2) Very Good (Purple) - Performance meets contractual requirements and exceeds some to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems for which corrective actions taken by the contractor were effective.

(3) Satisfactory (Green) - Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.

(4) Marginal (Yellow) - Performance does not meet some contractual requirements. The contractual performance of the element or sub-element being assessed reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.

(5) Unsatisfactory (Red) - Performance does not meet most contractual requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains serious problem(s) for which the contractor's corrective actions appear or were ineffective.

(h) The rating assigned to an element/sub-element must be supported by narrative rationale. Narratives are required for all ratings, and must clearly convey to the contractor, as well as to a Government source selection official who is not familiar with the instant contract, why the rating was assigned. This is especially important for any rating above or below "satisfactory." Narratives should be supported by quantifiable or verifiable documentation. While larger or more complex efforts warrant greater detail, the guideline for any narrative is "clear and concise."

(i) Exceptions:

(1) A PAR need not be prepared for: Science & Technology contracts (budget elements 6.1, 6.2 and 6.3) or Facilities/Property Management contracts (FAR 45.302-2). However, HCA's may require that PARs be prepared for Science & Technology contracts, where such is determined to facilitate efficient and effective acquisition. In such cases, the procedures stated herein shall apply. Additionally, the assessing official may choose the most appropriate format to record the contractors past performance information, i.e. "systems" or "non-systems."

(2) PARs for construction and architect-engineering (A-E) services shall be prepared and distributed in accordance with FAR/DFARS/AFARS Parts 36, 236, and 5136. Notwithstanding 5142.1501-90(b)(3)(iii) and (b)(5), PARs for Job Order Contracts (JOC) shall be prepared and distributed in accordance with AFARS 5117.9005(d).

(3) PARs prepared for Special Access Required Programs shall not be input in PPIMS (see 5142.1503-90(f) below). If the information required for input into PPIMS is classified, it shall not be reported. See AR 715-30 as revised, for maintenance of past performance information that cannot be maintained in an unclassified database.

5142.1503-90 Procedures

(a) Preparing Assessments: Assessing officials are responsible for the accurate assessment and timely reporting of contractor performance. The assessment is accomplished by the acquisition team as an on-going process throughout the contract period of performance. The acquisition team is normally comprised of the program and contracting offices, the customer, and cognizant technical, requirements, contract management and contract audit offices. PARs should reflect the team's surveillance and documentation of contractor performance throughout each rating period. The PM shall assess contractor performance on Systems contracts as well as service contracts providing technical or management support to the PM office. The contracting officer shall assess contractor performance on all other contracts. The PAR shall include only that information relevant to source selection. This includes ratings and a clear and concise rationale for that rating.

(b) Contractor Review: In order to provide contractors the opportunity to improve performance, reports should be completed and provided to the contractor for review within 60 days after the end of the rating period. A hard copy of the report will be furnished to the contractor with a cover letter signed by the assessing official requesting contractor comments within 30 calendar days of receipt, and advising the contractor that failure to respond within the designated timeframe will be taken as agreement with the assessment. Alternatively, the PAR may be furnished electronically to the contractor if the contractor concurs in use of the electronic transmission. Evidence of date of receipt by the contractor is required. The assessing official may grant an extension to this 30-day review period.

(c) Contractor Concurrence: Where a contractor concurs with, or takes no exception to a performance report, such report shall be considered final and releasable for use in source selection and other deliberative purposes.

(d) Contractor Rebuttal: Where a contractor takes exception to a performance report, the cognizant assessing official shall review the contractor's rebuttal or comments and, as warranted, make appropriate changes. When changes are made by the assessing official, the narrative shall be modified to reflect the changed rating. The assessing official shall make all reasonable efforts to reconcile the report and the contractor's comments. However, it is not necessary they reach agreement on the report where such is clearly impracticable. The contractor's rebuttal or comments shall be made part of the PAR. The assessing official shall forward the report, to include the contractor's rebuttal and documentation supporting the assessor's position, to the designated reviewing official for agency decision. The reviewing official shall document the PAR to include decision rationale. The decision of the reviewing official is final. The reviewing official will be as follows:

(1) For PEO managed systems - the PEO or designee at a level above the assessing official;

(2) For non-PEO managed systems and all other contracts – a level above the assessing official, and at a minimum, the Chief of the Contracting Office.

(e) Once a final decision is made, provide a copy of the final report to the contractor. Concurrently, the final report, along with the contractor comments or rebuttal, are releasable for use in source selection and other deliberative purposes.

(f) System Administration: The Past Performance Information Management System (PPIMS) is the Army's central repository for past performance information except as noted in 5142.1502-90(k). PPIMS is a web-based automated information system, which provides an on-line, real-time, capability to both prepare PARs and obtain past performance information. It may be accessed through <https://apps.rdaisa.army.mil/ppims/prod/ppimshp.htm>

(1) PEOs and HCAs are charged with ensuring only Government personnel with an appropriate need-to-use/know are permitted access to PPIMS. PEOs and HCA's, at their discretion, may establish a centralized focal point to obtain and release past performance information.

(2) HCA's are responsible for designating a primary and alternate PPIMS Administrator for their activity and submitting the individuals name to the address in 5142.1503-90(g). PEO's have the option of designating a primary and alternate PPIMS Administrator for their activity, or utilizing the services of the HCA PPIMS administrator(s) supporting their office. When a designated administrator vacates their position, a replacement must be appointed. The PPIMS Administrators are responsible for sharing information about PPIMS within the organization, providing assistance with user registration, reviewing applications for accuracy, approving applications, providing user training, ensuring accuracy of site information and serving as the liaison between their organization and the HQDA functional proponent.

(3) The PPIMS Administrator(s) at each contracting or PEO activity shall approve or reject requests for access to PPIMS. The Administrator must verify the requesting individual has a valid need for PPIMS access. In addition, they must routinely scrub their access lists and delete passwords for individuals who no longer require access to prepare assessment reports or obtain past performance information.

(4) All past performance information evaluations and assessments may be used to support future award decisions, and should therefore be marked "For Official Use Only – to be used for deliberative source selection purposes within the Executive Branch and for source selection and other deliberative purposes within DoD." Each page of the PAR shall be annotated with this marking. The completed evaluation shall not be released to other than Government personnel and the contractor whose performance is being evaluated.

(5) Requests from other Services or Defense Agencies for authorization to access PPIMS shall be referred to SAAL-PA.

(g) Pending implementation of an automated contractor access module, contractors may obtain copies of all their completed performance reports on file within PPIMS by forwarding their

request, on corporate letterhead and signed by a senior corporate official, to the OASA(ALT),
ATTN: SAAL-PA, 5109 LEESBURG PIKE, SUITE 302, FALLS CHURCH, VA 22041-3201.

(h) SAAL-PA will purge PARs from PPIMS three years after the date of the final report. Purged reports will be archived for an indefinite period for use in trend analyses.